

COVINGTON & BURLING

1201 PENNSYLVANIA AVENUE, N. W.

P.O. BOX 7566

WASHINGTON, D.C. 20044-7566

(202) 662-6000

TELEFAX: (202) 662-6291

TELEX: 89-593 (COVLING WSH)

CABLE: COVLING

MICHELE J. WOODS

DIRECT DIAL NUMBER

(202) 662-5347

GENERAL COUNSEL
OF COPYRIGHT

JAN 17 1996

RECEIVED

LECONFIELD HOUSE

CURZON STREET

LONDON W1Y 8AS

ENGLAND

TELEPHONE: 44-171-495-5655

TELEFAX: 44-171-495 3101

BRUSSELS CORRESPONDENT OFFICE

44 AVENUE DES ARTS

BRUSSELS 1040 BELGIUM

TELEPHONE: 32-2-512-9890

TELEFAX: 32-2-502-1598

January 17, 1996

The Honorable Mel R. Jiganti
Chairman
Copyright Arbitration Royalty Panel
Library of Congress
P.O. Box 70977
Southwest Station
Washington, D.C. 20024

Re: 1990-92 Cable Royalty Distribution Proceeding

Dear Judge Jiganti:

Enclosed please find for filing several additional items related to the direct case of the Public Broadcasting Service ("PBS"). We have enclosed a revised version of page 27 of the testimony of John Fuller, which reflects corrections in the figures for 1990 and 1991 in the tables on estimated license fees for public television.

We also include two additional exhibits as part of the direct case of public television. Exhibit 41 is the entire "Facts About PBS" document. A portion of this document is included in PTV Exhibit 2. Exhibit 42 is a slightly simplified version of the flow chart found at PTV Exhibit 36. PBS plans to move prior to the testimony of Peter Downey for leave to include both exhibits in its direct case. It is likely that Mr. Downey will use an exhibit board version of Exhibit 36 during his testimony before the Panel.

We apologize for any inconvenience that may be caused by our submission of these items at this stage of

The Honorable Mel R. Jiganti
January 17, 1996
Page 2

the proceeding. All of the parties on the service list
have been provided with copies of this filing.

Respectfully submitted,

A handwritten signature in cursive script, reading "Michele J. Woods".

Michele J. Woods
Counsel for Public
Television Claimants

cc: The Honorable John B. Farmakides
The Honorable Ronald P. Wertheim
All Counsel of Record

Fuller Testimony

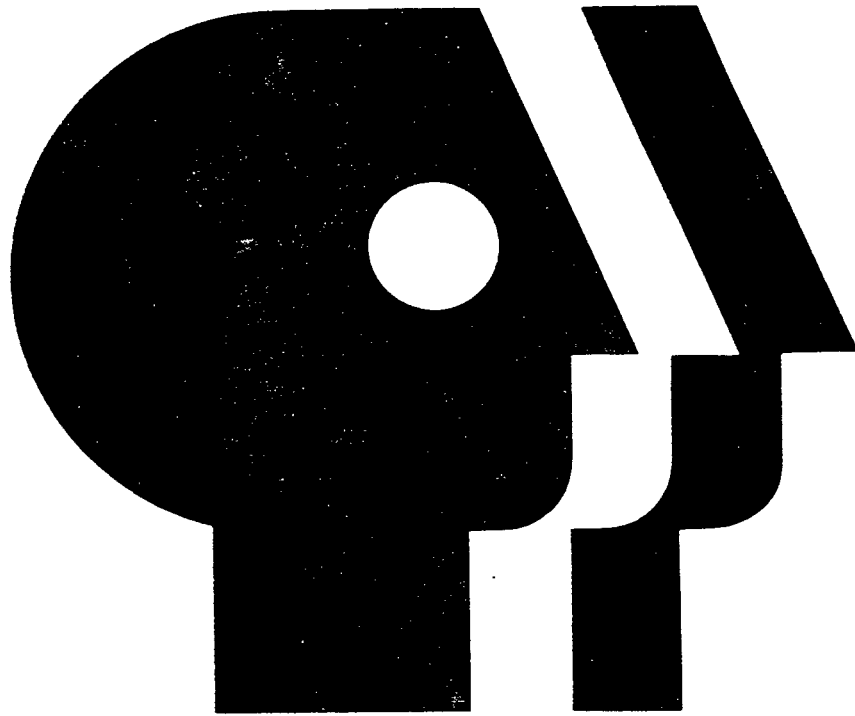
the 1993 estimated licensing fee estimates to take into account the fact that licensing fees have increased generally between 1990 and 1993. This results in estimated monthly license fees per subscriber for each year between 1990 and 1992 as listed below:

	1990	1991	1992	1993
First PBS Distant Signal Fee	17.5¢	18.9	21.0	24
Second PBS Distant Signal Fee	8.0¢	8.6	9.6	11
Third (+) PBS Distant Signal Fee	5.8¢	6.3	7.0	8

These estimated license fees can then be multiplied by the number of cable subscribers who received their first, second, or third (+) public television signal via distant signal retransmission. See PTV Exhibit 23. The total license fees for public television, based on these calculations, are presented below:

	1990	1991	1992
Revenue From First Station	\$4,537,044	\$4,780,824	\$5,271,870
Revenue From Second Station	\$2,558,358	\$2,661,212	\$3,017,074
Revenue From Third Station (+)	\$1,138,982	\$1,354,448	\$1,624,153
Total License Fee Revenue	\$8,234,384	\$8,796,484	\$9,913,097
Percentage of Basic Fund	6.1%	6.2%	6.7%

These figures again are close to the adjusted Bortz results for public television. This is another and independent confirmation of the estimated values for public television as reflected in the



FACTS ABOUT PBS

1320 Braddock Place Alexandria, VA 22314
1790 Broadway New York, NY 10019
3171 Los Feliz Blvd. Suite 203 Los Angeles, CA 90039

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July 1992

PBS Activities

PBS Programming

- ❑ **National Program Service (NPS)**—quality children's, cultural, educational, news and public affairs, science and nature, fundraising, and skills programs.
- ❑ **Adult Learning Service**—a partnership, involving public television stations and more than 2,000 colleges and universities, offering college-credit TV courses to more than 300,000 students each academic year. Since fall 1981, nearly 2 million students have earned credit from ALS-distributed courses. See also pp. 16-17.
- ❑ **Elementary/Secondary Service**—provides quality instructional programs and related materials for classroom use in grades K-12; live, interactive programs for students; professional development programs for teachers, administrators and others in education; and national leadership and advocacy for the effective use of television and other learning technologies in elementary and secondary schools. See also pp. 18-20.
- ❑ Programs are obtained from public TV stations, independent producers, foreign producers and distributors, and other sources. (PBS itself does not produce programs.)

PBS Enterprises and National Datacast

- ❑ **PBS ENTERPRISES, Inc.**, was incorporated in May 1985 as a wholly owned, for-profit subsidiary of PBS following several years as an internal division within the PBS nonprofit structure. ENTERPRISES develops goods and services in areas of new technology to generate income for PBS and public television stations.
- ❑ **PBS NATIONAL DATACAST, Inc.**, a for-profit subsidiary of PBS ENTERPRISES, was incorporated in May 1988. DATACAST concen-

trates its efforts on developing and marketing data delivery services utilizing the vertical blanking interval (VBI) portion of public television's broadcast signal and technology developed by ENTERPRISES. The point-to-multipoint service offers nationwide coverage and instantaneous delivery of computer data, graphics, text, faxes, credit information, TV listings, financial data and interactive television to homes and businesses.

PBS Video Marketing

- ❑ **PBS VIDEO**—the largest and finest distributor of videocassettes of public television programs to schools, colleges, libraries, hospitals, government agencies and associations for educational and informational uses. Available videos include programs from FRONTLINE, THE AMERICAN EXPERIENCE, LAND OF THE EAGLE, MILLENNIUM: TRIBAL WISDOM AND THE MODERN WORLD, THE CIVIL WAR, EYES ON THE PRIZE, THE MACNEIL/LEHRER NEWSHOUR and Bill Moyers. Publishes an annual program catalog and a monthly newsletter.
- ❑ **PBS Home Video**—distributes public television programs in the home market under the PBS Home Video label. Programs are made available through discount retail outlets, video and book stores, catalogs, and direct sales to members and viewers by local public TV stations. Feature titles include THE CIVIL WAR; I, CLAUDIUS; THE ASTRONOMERS; THE AMERICAN INDIAN COLLECTION; THE MASTERPIECE THEATRE COLLECTION; "Eat Smart"; "LBJ"; NEWTON'S APPLE; READING RAINBOW; "Empire of the Air"; and MILLENNIUM: TRIBAL WISDOM AND THE MODERN WORLD.

PBS Activities (continued)

Technology Initiatives

- **PBS Engineering** provides research and development of technical systems for PBS and its member stations. Past accomplishments include: American broadcast television's first satellite program distribution system; development of the system to close-caption programs for the hearing-impaired; utilization of the TV signal's vertical blanking interval for message delivery, data transmission and other ancillary uses; development of a high-quality stereo audio satellite distribution system; and improvements in UHF reception and transmitter efficiency.

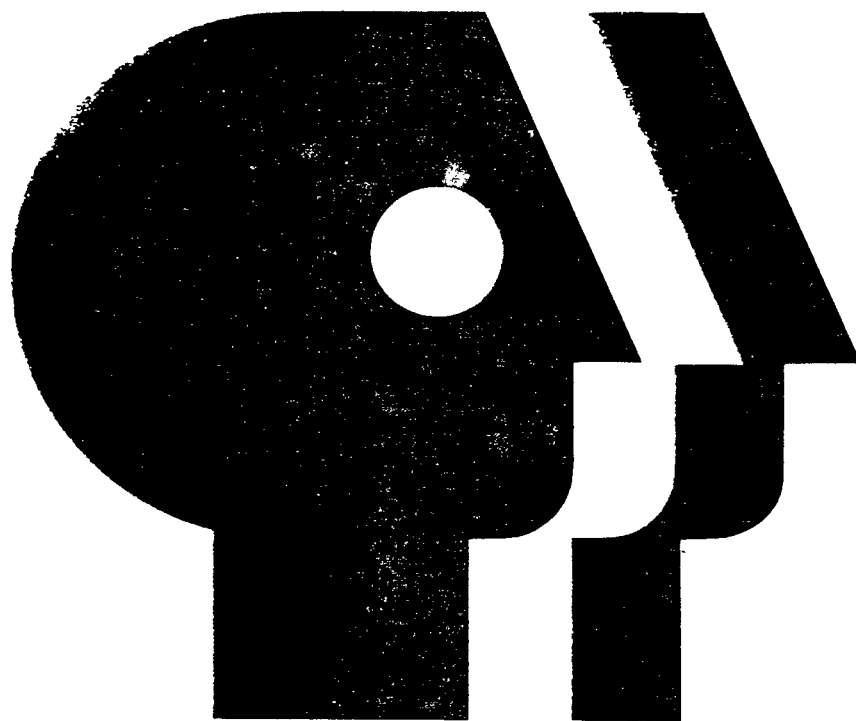
Current projects include:

- Development of new technology for distance learning and interactive instructional television, including lower-cost satellite distribution techniques, interactive multimedia systems, and systems for automated program index recording and cueing on consumer-type VCRs.
- Evaluation of new digital transmission technologies.
- Management and technical direction for public TV's satellite replacement activities.
- Industry leadership in studying, planning and implementing improved television transmission quality, including high-definition television (HDTV).
- Marketing support, research and development for the PBS NATIONAL DATACAST vertical blanking interval data delivery service.
- Broadcast equipment evaluation services for member stations.
- Support of public television's Descriptive Video Service, a special audio channel providing narrated descriptions for visually impaired viewers.

- Utilization of a third audio channel for second-language programming.
- Training for engineering personnel.

Fundraising Services

- **PBS Development** serves as public TV's center for fundraising innovation. Its main work: to identify and share the best strategies being carried out at member stations and other nonprofit institutions.
- **Development Services** supplies stations with how-to materials, professional training opportunities, consulting visits, income reports and station news in several areas: major and planned giving, membership, local corporate underwriting, and auctions.
- **Station Independence Program (SIP)** supports stations' membership fundraising needs by commissioning and acquiring television specials. SIP also provides advertising and promotional materials, premium information, market research, statistical analyses, and tools to enhance on-air fundraising (scripts and video spots, for instance).
- **National Corporate Support** works with stations, major producers and corporate executives: 1) to increase the satisfaction of national underwriters and 2) to help producing stations increase the number of corporate and foundation supporters, especially those contributing \$1 million or more each year.
- **The National Auction Service (NAS)** supplies stations with highly marketable donated goods and services for use in on-air auctions and sweepstakes. Through NAS, businesses can take part in as few as one or as many as 86 station auctions, as well as several major-market sweepstakes -- all using one contact point at PBS.



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July 1992

PBS: An Overview

The Public Broadcasting Service

- ❑ A private, nonprofit corporation whose members are the nation's public TV stations.
- ❑ Founded in 1969.
- ❑ Provides quality TV programming and related services to 344 noncommercial stations serving the United States, Puerto Rico, the Virgin Islands, Guam and Samoa.
- ❑ 176 noncommercial, educational licensees operate these 344 stations.
- ❑ Of the 176 licensees, 86 are community organizations, 56 are colleges or universities, 24 are state authorities and 10 are local educational or municipal authorities.
- ❑ The approximately 335 staff members in Alexandria, Virginia, New York City and Los Angeles direct program acquisition and scheduling, educational services, video marketing, advertising and promotion, audience research, broadcast and technical operations, fundraising development, engineering and technology development, and revenue-producing activities.
- ❑ PBS paved the way and continues to be the leader in quality children's, cultural, educational, nature, news, public affairs, science and skills programming. PBS is "TV Worth Watching."
- ❑ Created American broadcast television's first satellite program distribution system (1978).

- ❑ In a partnership with public TV stations and more than 2,000 colleges and universities nationwide, a PBS-coordinated service provides college-credit TV courses to more than 300,000 students each year. Public television also provides outstanding instructional programs and materials for classroom use in grades K-12.

How Is PBS Governed?

- ❑ PBS has a 35-member board of directors consisting of 15 lay representatives from stations' governing boards, 13 professional representatives from station management, six general directors and the PBS president.
- ❑ Officers of the board of directors are Ted R. Capener (vice president for university relations, University of Utah, Salt Lake City, Utah, representing KUED Salt Lake City), chairman; Stephen A. Greyser (professor of business administration, Harvard Business School, representing WGBH Boston) and Paul M. Norton (Executive Director, Wisconsin Educational Television Network), vice chairmen.
- ❑ Bruce L. Christensen is the president of PBS. Prior to his appointment in May 1984, he was president of the National Association of Public Television Stations.

PBS Activities

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Public Television Programs

Among the many series on PBS during 1992-93:

□ Adult Learning:

Against All Odds
Americas
The American Adventure
America in Perspective
Business and the Law
The Business File
The Business of Management
By the Numbers
The Civil War
College Algebra
Destinos
Discovering Psychology
Earth Revealed
Economics USA
Ethics in America
Faces of Culture
For All Practical Purposes
French in Action
Here's to Your Health
Joseph Campbell: Transformations of Myth Through Time
Literary Visions
The Pacific Century
Portrait of a Family
Race to Save the Planet
Rural Communities
Sociological Imagination
Voices & Visions
The Western Tradition
The World of Abnormal Psychology
The World of Chemistry
Worlds of Childhood
The Write Course

□ Children's:

Barney & Friends
Behind the Scenes
Degrassi High
Lamb Chop's Play-Along
Long Ago & Far Away
Mister Rogers' Neighborhood
Reading Rainbow
Sesame Street
Shining Time Station
Square One TV
Where in the World Is Carmen Sandiego?
Wonderworks Family Movie

□ Cultural:

Alive TV
Ali: The Whole Story
The American Experience
American Masters
American Playhouse
Austin City Limits
Childhood
Columbus and the Age of Discovery
The Creative Spirit
Dance in America
Dancing!
Evening at Pops
Garrison Keillor "Specials"
The Glory and the Power
Great Performances
The Kennedy Saga
Live From Lincoln Center
The Machine That Changed the World
Mark Russell Comedy Specials
Masterpiece Theatre
The Metropolitan Opera Presents

Millennium: Tribal Wisdom and the
Moyers: Healing and the Mind
Modern World
Mystery!
The Prize
Travels

□ Elementary/Secondary:

Amigos
Castle
Cathedral
Challenge of the Unknown
Eat Well—Be Well
Equal Justice Under Law
France-TV Magazine
Futures With Jaime Escalante
Icewalk
Race to Save the Planet
Teaching Modules
Second Voyage of the Mimi
3-2-1 Classroom Contact
Voyage of the Mimi

□ News and Public Affairs:

Adam Smith
Americas
Bill Moyers "Specials"
DeGaulle and France
Election '92 Specials
Firing Line Special Debates
Frontline
Listening to America With Bill Moyers
The MacNeil/Lehrer NewsHour
Made in the USA
The Pacific Century
P.O.V.
...Talking With David Frost
Technopolitics
Tony Brown's Journal
Wall Street Week With Louis Rukeyser
Washington Week in Review

□ Science:

The Dinosaurs!
The Health Quarterly
Medicine at the Crossroads
National Audubon Society Specials
National Geographic Specials
Nature
The New Explorers
Newton's Apple
Nova
Realms of the Russian Bear
Scientific American Frontiers
The Space Age
Wild America

□ Skills:

Ciao Italia
The Frugal Gourmet
Hometime
Motorweek '92
The New Yankee Workshop
This Old House
The Victory Garden
The Woodwright's Shop

□ Outreach Campaigns:

Election '92
Project Education

Public Television Funding

How Is the Public Television System Funded?

- ❑ Public television's national, regional and local income in FY91 was \$1.32 billion, according to the Corporation for Public Broadcasting. Four-fifths (81.0%) of the funding came from nonfederal sources, particularly subscribers (21.6%), state governments (19.3%) and businesses (17.4%).
- ❑ The largest federal source in FY91 was the appropriation to the Corporation for Public Broadcasting, with \$177.9 million (13.5%) of public television's income. Nonfederal sources were led by state and local governments, with a combined figure of \$306.0 million (23.2%).

Public Television Income — FY91

An analysis of all income for public television for FY91, as provided by the Corporation for Public Broadcasting (CPB):

<i>Source</i>	<i>\$ in millions</i>	<i>% of total</i>
FEDERAL GOVERNMENT	\$ 250.6	19.0%
CPB (TV only)	177.9	13.5
Educ. & Commerce Depts., NEA, NEH, etc.	72.7	5.5
NONFEDERAL	\$1069.4	81.0%
Subscribers	285.5	21.6
State Governments	255.1	19.3
Businesses	229.6	17.4
State Colleges	86.9	6.6
Foundations	56.4	4.3
Local Governments	50.9	3.9
Auctions	20.1	1.5
Private Colleges	13.2	1.0
Other Public Colleges	12.4	0.9
All Others	59.3	4.5
TOTAL	\$1320.0	100.0%

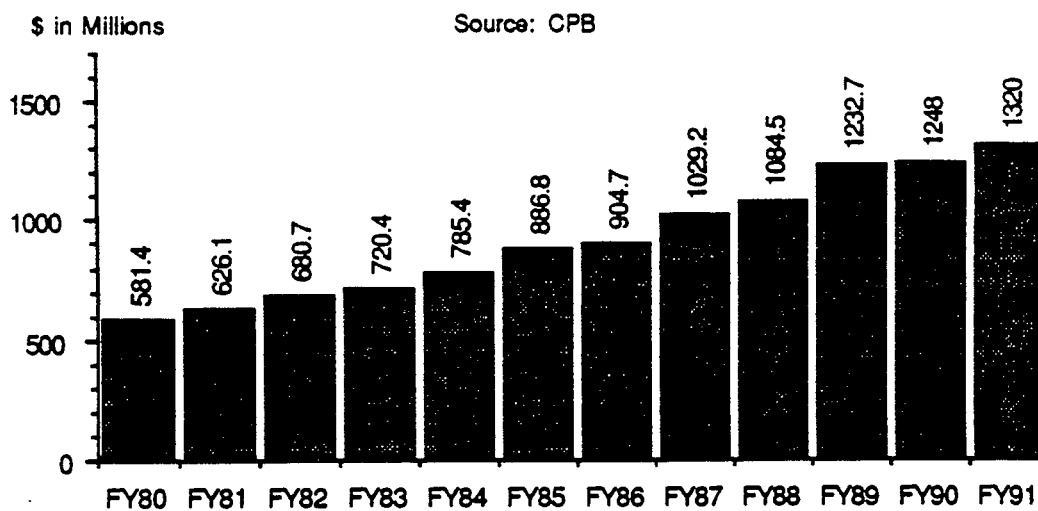
Public Television Funding (continued)

Public Television Viewer Support

	Dollars in Millions	Members in Millions	Average Contribution
FY80	\$77.90	2.60	29.96
FY81	102.40	2.90	35.31
FY82	111.80	3.30	33.88
FY83	147.00	3.50	42.00
FY84	160.00	3.80	42.11
FY85	180.00	3.90	46.15
FY86	200.20	4.20	47.67
FY87	230.20	4.70	48.98
FY88	240.50	4.70	51.17
FY89	262.00	5.20	50.38
FY90	272.50	5.20	52.40
FY91	280.70	5.10	55.04

Public Television Total Income FY 1980-91

Source: CPB



Public Television Funding (continued)

How Is the Public Broadcasting Service Funded?

The PBS budget for FY93 (July 1, 1992-June 30, 1993) of \$156.001 million is paid primarily by member stations: 73.0% of the budget is paid by

stations, 14.6% comes from the Corporation for Public Broadcasting and 12.4% is from educational institutions, interest income and other sources.

PBS FUNDING SOURCES—FY93

<i>Source</i>	<i>Dollars in millions</i>	<i>Percent of tota.</i>
Member Stations		
—Programming and Membership Assessments	\$106.335	
—Optional Services (Station Independence Program, National Auction Service, PBS Encore!, etc.)	7.602	
	113.957	73.0%
Corporation for Public Broadcasting Grants		
—National Program Service	22.520	
—Programming Support (audience research and captioning)	.200	
	22.720	14.6
Other Sources		
—Educational Institutions (Customers of PBS VIDEO, Adult Learning Service, Elementary/Secondary Service)	15.638	
—Interest Income and other	3.686	
	19.324	12.4%
TOTAL	\$156.001	100.0%

More than four-fifths (84.2%) of PBS's FY93 budget goes to program production, acquisition, promotion and distribution:

- ☐ \$110.647 million (70.9%) — Program production, acquisition and promotion, including the National Program Service and Station Independence Program.

- ☐ \$20.722 million (13.3%) — Program distribution and administration, including operation of the satellite interconnection system and promotional support.

The programming funds administered by PBS represent only a portion of the total cost of PBS's National Program Service.

Public Television Funding (continued)

How Is the PBS National Program Service Funded?

PBS operates public television's National Program Service (NPS), which provides quality children's, cultural, educational, news and public affairs, science and nature, fundraising, and skills programs.

These programs are drawn from many sources, including public television stations, independent

producers, and other producers and program distributors throughout the world.

Support totaling \$260.1 million was provided for NPS programs and series that began their initial broadcast in FY91. Funding sources include:

National Program Service Funding Sources — FY91

<i>Source</i>	<i>Dollars in millions</i>	<i>Percentage of total</i>	<i>Percent change from FY86</i>
Public TV Stations	\$87.9	33.8%	+83%
Corporations	73.7	28.3	+25
Corporation for Public Broadcasting	37.1	14.3	+47
Foundations	23.5	9.0	+267
Government Agencies	11.3	4.4	-6
Other (independent producers, individuals, associations and community groups, etc.)	26.6	10.2	+22
TOTAL	\$260.1	100.0%	+51%

In FY91, 1,572 hours of original broadcast programs were distributed: 43.6% were public affairs programs, 27.4% were cultural programs, 9.7% were children's programs, 8.3% were how-to programs, 8.4% were science and nature programs, 2.5% were educational programs (does not include instructional programs for classroom use), and 0.1% were sports programs.

Of these 1,572 hours, 32.9% were produced by American independent producers, 28.2% by public television stations, 23.7% by the combined efforts of public television stations and independent producers, 10.4% by foreign producers, and 4.8% by other combinations of public television stations, independent producers and foreign producers.

The Public Television Audience

- ❑ During the period of October 1991-May 1992, viewers in 51.9 million homes watched public TV each week, according to the Nielsen Television Index (NTI). This represents 56.3% of America's 92.1 million households with TVs (during this period), or 91.7 million people.
- ❑ During prime time in this period, public TV was watched each week in 28.7 million homes by 45.2 million people.
- ❑ The average viewing household during this period watched slightly less than three hours of public television during the course of a week; of this amount, an hour and a half was spent with prime-time programming.
- ❑ 80.2% of all American television-owning families—74.4 million households representing 155.4 million people—watched public television in March 1992, with the average home tuning in for almost eight hours during the month.
- ❑ Many communities have more than one public TV station, each offering a distinctive, separate programming service. Two-thirds of cable subscribers say one of the reasons they subscribe is for better reception of a public TV station or access to more than one public TV station, according to Statistical Research Inc. (SRI).
- ❑ Among public TV viewers capable of receiving more than one public TV station on cable, 79% reported watching *more than one*, according to SRI.
- ❑ 98% of all U.S. homes with a TV can receive a public TV station. The most widely available cable network (CNN) can be seen by only 65%.
- ❑ During the October 1991-March 1992 period, public TV's average prime-time rating was 2.2, compared with 0.7 for Discovery, 0.6 for CNN, 0.6 for Nick at Nite and 0.5 for A&E.
- ❑ 56.9% of all cable subscribers watched public TV each week during October 1991-May 1992, according to the NTI.

The Public Television Audience (continued)

Audience Demographics

Below is a breakdown, by TV household characteristics, of the public TV audience for an average week during October 1991-May 1992. National demographic figures are also provided.
(Source: Nielsen Television Index)

	<i>Total U.S. TV Households</i>	<i>PTV Audience</i>		<i>Total U.S. TV Households</i>	<i>PTV Audience</i>
Race*			Income		
Black	11.1%	9.4%	Less than \$20,000	30.5%	26.4%
Non-Black	88.9	90.6	\$20,000-\$39,999	30.3	29.6
			\$40,000-\$59,999	19.9	21.9
			\$60,000+	19.3	22.1
Education*			Age		
Less than 4 yrs. high school	21.8	19.4	Children (2-5)	6.2	8.1
4 years high school	36.2	35.5	Children (6-11)	9.1	7.0
1-3 years college	18.8	19.0	Teen-agers (12-17)	8.5	5.3
4+ years college	23.2	26.1			
Occupation*			Women (18-34)	14.0	11.2
Prof./Owner/Manager	24.8	26.9	(35-49)	11.4	10.7
Clerical & Sales	15.4	14.3	(50-64)	7.2	8.8
Skilled & Semiskilled	30.2	28.5	(65+)	7.3	9.6
Not in labor force	29.6	30.3	Men (18-34)	13.8	12.0
			(35-49)	11.0	11.8
			(50-64)	6.5	8.3
			(65+)	5.1	7.3

* head of household

The Most-Watched PBS-Distributed Programs

(as of May 1992)

Title	Date	Cumulative Audience (in millions)	Viewers (in millions)
NATIONAL GEOGRAPHIC SPECIAL: "The Sharks"	1/82	17.4%	24.1
NATIONAL GEOGRAPHIC SPECIAL: "The Grizzlies"	3/87	17.0%	22.3
NATIONAL GEOGRAPHIC SPECIAL: "Land of the Tiger"	1/85	16.5%	22.4
NATIONAL GEOGRAPHIC SPECIAL: "The Incredible Machine"	10/75	16.0%	19.0
"Great Moments With NATIONAL GEOGRAPHIC"	3/85	15.7%	21.3
"Best of WILD AMERICA: 'The Babies'"	3/87	14.7%	19.3
"The Music Man"	3/85	14.7%	18.7
"Live From the Grand Ole Opry"	3/79	14.6%	16.3
"Live From the Grand Ole Opry"	3/80	14.2%	16.3
NATIONAL GEOGRAPHIC SPECIAL: "Lions of the African Night"	1/87	13.8%	18.1
WORLD: "Death of a Princess"	5/80	13.8%	14.7
NATIONAL GEOGRAPHIC SPECIAL: "Polar Bear Alert"	3/82	13.3%	18.4
"Great Moments With NOVA"	3/87	13.2%	17.3

Title	Date	Cumulative Audience (in millions)	Viewers (in millions)
NATIONAL GEOGRAPHIC SPECIAL: "In the Shadow of Vesuvius"	2/87	13.1%	17.2
THE CIVIL WAR: "The Cause"	9/90	12.9%	14.9
THE CIVIL WAR: "Most Hallowed Ground"	9/90	12.9%	15.4
NATIONAL GEOGRAPHIC SPECIAL: "Save the Panda"	3/82	12.8%	17.7
"Lawrence Welk: Television's Music Man"	3/87	12.7%	16.6
NATIONAL GEOGRAPHIC SPECIAL: "Realm of the Alligator"	4/86	12.7%	17.5
NATIONAL GEOGRAPHIC SPECIAL: "Rain Forest"	1/83	12.7%	18.0
NATIONAL GEOGRAPHIC SPECIAL: "Among the Wild Chimpanzees"	1/84	12.5%	16.8
"Saving the Wildlife"	3/86	12.4%	17.0
"Making of M*A*S*H"	1/81	12.4%	14.5
THE CIVIL WAR: "Forever Free"	9/90	12.3%	13.5
NATIONAL GEOGRAPHIC SPECIAL: "Etosha"	1/81	12.1%	16.0
THE CIVIL WAR: "The Universe of Battle"	9/90	12.1%	14.2
THE CIVIL WAR: "The Better Angels of Our Nature"	9/90	12.1%	13.0

* Cumulative audience: the percentage of U.S. TV homes viewing at least six minutes of a program (Nielsen Television Index data).
Viewers = PBS Research estimate.

Most-Watched Programs (continued)

The All-Time Most-Watched Classical Music/Dance Programs

Title	Date Cumulative Audience* Viewers (in millions)			Title	Date Cumulative Audience* Viewers (in millions)		
	Date	Cumulative Audience*	Viewers (in millions)		Date	Cumulative Audience*	Viewers (in millions)
"Championship Ballroom Dancing"	1/87	8.9%	10.9	LIVE FROM LINCOLN CENTER: "Danny Kaye With the N.Y. Philharmonic"	9/81	7.3%	6.5
GREAT PERFORMANCES: "A Lincoln Center Special: Beverly! Her Farewell Performance"	1/81	7.9%	8.0	"John Curry Skates Peter and the Wolf"	1/82	7.2%	8.8
LIVE FROM LINCOLN CENTER: "Luciano Pavarotti Sings With the N.Y. Philharmonic; Zubin Mehta, Conductor"	4/83	7.8%	7.5	LIVE FROM THE MET: "Aida"	1/85	7.2%	8.3
LIVE FROM LINCOLN CENTER: "Pavarotti Plus"	1/86	7.6%	7.5	GREAT PERFORMANCES: "Best of Broadway"	5/85	7.0%	7.7
"Championship Ballroom Dancing"	1/90	7.5%	9.9	LIVE FROM THE MET: "The Metropolitan Opera Centennial Gala" (Part 2)	10/83	7.0%	7.9
"Championship Ballroom Dancing"	2/91	7.5%	9.7	LIVE FROM LINCOLN CENTER: "Sutherland/Horne/Pavarotti in Concert"	3/81	7.0%	6.3
"The Nutcracker"	12/82	7.5%	9.4	GREAT PERFORMANCES: "Purlie"	3/84	6.9%	7.5
LIVE FROM LINCOLN CENTER: "A Lincoln Center Christmas Gala"	12/90	7.5%	10.2	"From Vienna: The New Year's Celebration 1987"	1/87	6.9%	9.0

* Cumulative audience: the percentage of U.S. TV homes viewing at least six minutes of a program (Nielsen Television Index data)
Viewers = PBS Research estimate.

Most-Watched Programs (continued)

The All-Time Most-Watched Drama Programs

Title	Date Cumulative Audience Viewers (in millions)			Title	Date Cumulative Audience Viewers (in millions)		
	Date	Cumulative Audience	Viewers (in millions)		Date	Cumulative Audience	Viewers (in millions)
WORLD: "Death of a Princess"	5/80	13.8%	14.7	AMERICAN PLAYHOUSE: "Stand and Deliver"	3/89	8.0%	8.7
"The Sailor's Return"	1/84	9.8%	12.3	GREAT PERFORMANCES: "Life on the Mississippi"	11/80	7.7%	9.0
AMERICAN PLAYHOUSE: "Smooth Talk"	2/87	9.3%	10.6	MASTERPIECE THEATRE: "The Flame Trees of Thika" (Part 3)	1/82	7.5%	8.6
WONDERWORKS: "Anne of Green Gables—The Sequel" (Part 1)	3/88	8.9%	11.0	AMERICAN PLAYHOUSE: "Raisin in the Sun"	2/89	7.4%	8.0
WONDERWORKS: "Anne of Green Gables—The Sequel" (Part 2)	3/88	8.7%	10.8	MASTERPIECE THEATRE: "To Serve Them All My Days" (Part 2)	10/82	7.3%	8.5
"The Scarlet Letter" (Part 1)	4/79	8.6%	9.6	MYSTERY!: "Sweeney Todd"	10/82	7.3%	8.5
"The Lathe of Heaven"	1/80	8.5%	9.7	"The Scarlet Letter" (Part 4)	4/79	7.3%	8.2
AMERICAN PLAYHOUSE: "Testament"	11/84	8.1%	10.3				

* Cumulative audience: the percentage of U.S. TV homes viewing at least six minutes of a program (Nielsen Television Index data)
Viewers = PBS Research estimate.

Most-Watched Programs (continued)

The All-Time Most-Watched Public Affairs Programs*

Title	Date			Cumulative Audience Viewers (in millions)	Title	Date			Cumulative Audience Viewers (in millions)
"Gen. H. Norman Schwartzkopf"...TALKING WITH DAVID FROST	3/91	10.0%	14.0		VIETNAM: A TELEVISION HISTORY: "Tet, 1968"	11/83	7.0%	8.2	
FRONTLINE: "An Unauthorized History of the NFL"	1/83	9.2%	10.9		FRONTLINE: "The Real Life of Ronald Reagan"	1/89	6.9%	8.4	
VIETNAM: A TELEVISION HISTORY: "Roots of War"	10/83	8.7%	10.2		"Visions of 'Star Wars': A NOVA/FRONTLINE Special Report"	4/86	6.8%	8.8	
FRONTLINE: "To the Brink of War"	1/91	8.5%	11.1		VIETNAM: A TELEVISION HISTORY: "The First Vietnam War (1946-1954)"	10/83	6.8%	8.0	
FRONTLINE: "Death of a Porn Queen"	6/87	8.2%	9.7		FRONTLINE: "88 Seconds in Greensboro"	1/83	6.7%	7.5	
"Democratic Presidential Debate"	1/84	8.0%	9.4		FRONTLINE: "The Earthquake Is Coming"	2/87	6.6%	7.8	
CHILD SEXUAL ABUSE: WHAT YOUR CHILDREN SHOULD KNOW: "A Program for Parents"	9/84	7.4%	8.7		VIETNAM: A TELEVISION HISTORY: "America's Mandarin (1954-1963)"	10/83	6.4%	7.5	
FRONTLINE: "The Real Stuff"	1/87	7.1%	8.4						

Programs covering current or recent issues of public concern.

* Cumulative audience: the percentage of U.S. TV homes viewing at least six minutes of a program (Nielsen Television Index data).

Viewers = PBS Research estimate.

PBS and Education

The PBS Adult Learning Service (ALS)

ALS in Brief

- ❑ The first nationwide effort (1981) to provide coordination and focus for adult learning through television. (Instruction via TV began on an ad hoc basis in the 1950s with a few pioneering colleges.)
- ❑ Local partnerships, involving more than 2,000 colleges and universities and 96% of all public TV stations, working together to provide greater access to a college education to adult Americans.
- ❑ These partnerships offer hundreds of hours of quality college-credit TV courses to more than 300,000 tuition-paying students each academic year. Since fall 1981, over two million students have been served.
- ❑ In addition to those taking courses for college credit, millions more watch television courses each week during prime time and other hours for their own self-improvement and enjoyment.
- ❑ Each course undergoes rigorous review by teaching faculty, scholars and instructional designers to guarantee faculty and students a valuable educational experience.
- ❑ While ALS makes available an array of TV courses and support services, the local partnerships decide which elements will best serve the needs of their communities.
- ❑ Courses are acquired from PBS member stations, college-based producers, independent producers and consortia of educational program producers.
- ❑ The current ALS catalog includes 54 courses in the arts and humanities, history and the social sciences, science and health, business and technology, and professional development and teacher education.

The ALS Partnership

- ❑ ALS assists stations and colleges with course acquisition, scheduling and distribution, promotion and marketing, audience research, national program screenings, and professional development and training.
- ❑ Local public TV stations broadcast the television courses, coordinating selections, schedules and promotion with their local institutions of higher education.
- ❑ Local colleges select the courses they want to offer, assign faculty and award credit according to their standards and needs.

The Economics of ALS

- ❑ Participating colleges and universities pay the Adult Learning Service a license fee for the right to use an ALS course for credit.
- ❑ Students seeking course credit through ALS programs enroll at participating schools and pay tuition fees to these colleges. The schools then forward to ALS a small fee for each student enrolled in an ALS course.
- ❑ Funds received by ALS support the ALS service, including royalties to the program producers and payments to PBS member stations airing ALS programs.
- ❑ In FY91, ALS returned nearly \$2.5 million to participating stations and producers. Another \$1.5 million was paid to PBS in overhead fees to help offset overall PBS operational expenses.

PBS and Education (continued)

The ALS Student

- ❑ 68% are female; 70% are between the ages of 23 and 49; 14% are minorities.
- ❑ 40% are working toward bachelor's degrees; 38% are seeking graduate degrees.

The Adult Learning Satellite Service (ALSS)

- ❑ ALSS is an initiative of the Adult Learning Service and local public television stations to deliver, via satellite, quality educational programming directly to colleges.
- ❑ Through ALSS, over 1,800 colleges with satellite-receive equipment have directly accessed complete television courses, resource programming for classroom and library use, and live and taped videoconferences, lectures and seminars for faculty, administrators, students and off-campus groups. Of those colleges, some 360 are full participants in ALSS.
- ❑ ALSS extends and complements the Adult Learning Service by providing a nonbroadcast programming service to colleges. Broadcasts on public television stations will continue to be the primary means of delivering television courses to most adult learners.

The Economics of ALSS

- ❑ The basic yearly fee for participating colleges is \$1,500. Some ALSS programs and services are included in the participation fee, while others have modest charges. Colleges select the programs they wish to use, tailoring their participation to local needs.
- ❑ Most colleges recapture the initial ALSS participation fee through free access, free programming, remarketing opportunities, reduced fees and other savings.
- ❑ ALSS, like the rest of the Adult Learning Service, is self-supporting. Revenue received from the licensing of ALSS programming supports ALSS, including royalties to producers and payments to participating stations.

The ALSS Audience

- ❑ Over 2,000 colleges are known to have satellite-receive equipment, and that number is growing rapidly.
- ❑ ALSS programming will reach many thousands of campus-based students, adult learners, faculty members and administrators, as well as government agencies, businesses, social service organizations and other employers and community groups with direct satellite-receive capability.

PBS and Education (continued)

The Business Channel

- ☐ In fall 1989, the Adult Learning Service launched The Business Channel, a specialized programming strand that provides colleges and businesses with up-to-date programs on topics such as marketing, management and software training. Businesses and colleges that have satellite-receive equipment can directly access business-related resource programs and live and taped videoconferences featuring top business experts. During FY93, The Business Channel will feature over 50 business training and resource programs and over two dozen live, interactive videoconferences.
- ☐ Nearly 300 Businesses have accessed The Business Channel programming since 1989.
- ☐ ALSS members receive a free membership in The Business Channel. The basic yearly fee for businesses and colleges that wish to join The Business Channel separately is \$500.
- ☐ As with ALSS membership, members of The Business Channel select the programs they wish to use, tailoring their participation to local needs. Most colleges and businesses recapture their participation fee through free access, free previewing, remarketing opportunities and reduced fees.
- ☐ The Business Channel is self-supporting, and revenue received from the licensing of its programming supports The Business Channel, including royalties to producers and payments to participating stations.
- ☐ The Business Channel programming is always available via C-band satellite-receive equipment and is often available on Ku-band as well. The Business Channel programs—because of their immediate applicability—are an important resource to students, adult learners and business people.

The PBS Elementary/Secondary Service (ESS)

ESS in Brief

The PBS Elementary/Secondary Service:

- ☐ increases the reach and utility of appropriate PBS prime-time programming to the K-12 education community;
 - ☐ acquires and distributes high-quality school television programs for formal and informal instruction;
 - ☐ provides professional development programs for teachers and other educators;
 - ☐ supports and provides electronic and print information services for and about public television and education;
 - ☐ serves as a national advocate for the use of television and other technologies for learning in the nation's schools; and
 - ☐ works with other national and regional organizations to track developments in national policy for the educational television community.
- ESS, serving a dual constituency of public television stations and the education community, works to maintain and expand the position of PBS and public television stations as the preferred providers of school television programming and services nationwide.

PBS and Education (continued)

Public Television's School Services at a Glance

- ❑ 83% of public TV stations average five hours per day of educational programming specifically for classroom use.
- ❑ Of these, 93% use their main broadcast channel to deliver programming to schools. In addition, 70% also deliver programming to schools via other methods, such as satellite, ITFS (microwave) or dedicated cable channel.
- ❑ 85% of these public television stations supplement their programming with additional educational materials and utilization services, often in conjunction with related state or local education agencies.
- ❑ Two-thirds (29.5 million) of all elementary and secondary students attend schools that are served by public TV stations.
- ❑ 76% of public TV stations broadcast interrelated school programming in large blocks, usually in the middle of the night, specifically for schools to record on videocassettes and use at their convenience.

School Television and Other Programming Resources

Primary activities of ESS are the acquisition and distribution of exceptional programming specifically designed for classroom use, including live special events. (Instructional programming includes teacher guides and other support materials to help educators integrate the programming into classroom curricula.) Curriculum areas include math, science, history, reading, art, music, career planning, social studies, language arts and foreign languages.

ESS also works to extend the educational value of PBS general-audience programs, such as *WHERE IN THE WORLD IS CARMEN SANDIEGO?*, *THE NEW EXPLORERS*, *NATIONAL GEOGRAPHIC SPECIALS* and *SCIENTIFIC AMERICAN FRONTIERS*, which have extended school rights and ancillary materials to support classroom use, thanks to underwriter support.

PBS Tune-In Guides, highlighting selected prime-time programming, help educators to use public TV programs more easily. *Tune-In Guides* provide series descriptions, program titles, information about off-air recording rights and related educational materials, and viewing tips that allow teachers, librarians and families to plan activities using the programs as a base.

PBS and Education (continued)

Professional Development Programming

ESS is a leader in providing stations and other education agencies with professional development opportunities for educators and school administrators. Past videoconferences have addressed education and research, technology tools for teaching, successful school restructuring, academic tracking, student assessment, collaborative learning techniques, critical thinking skills, at-risk students, school-business-community partnerships, and school policy and legal issues regarding AIDS.

Technology Projects

ESS is working with PBS Engineering to develop innovative distance learning and interactive technology services for educators and students. These activities include using new satellite technology to create a multichannel instructional service to extend public television's contribution to education.

In addition, ESS supports the use of EDISON, LEARNING LINK and CURRICULUM CONNECTION, on-line data systems developed by local public TV stations and regional organizations to support and extend the use of public TV programming in the classroom.

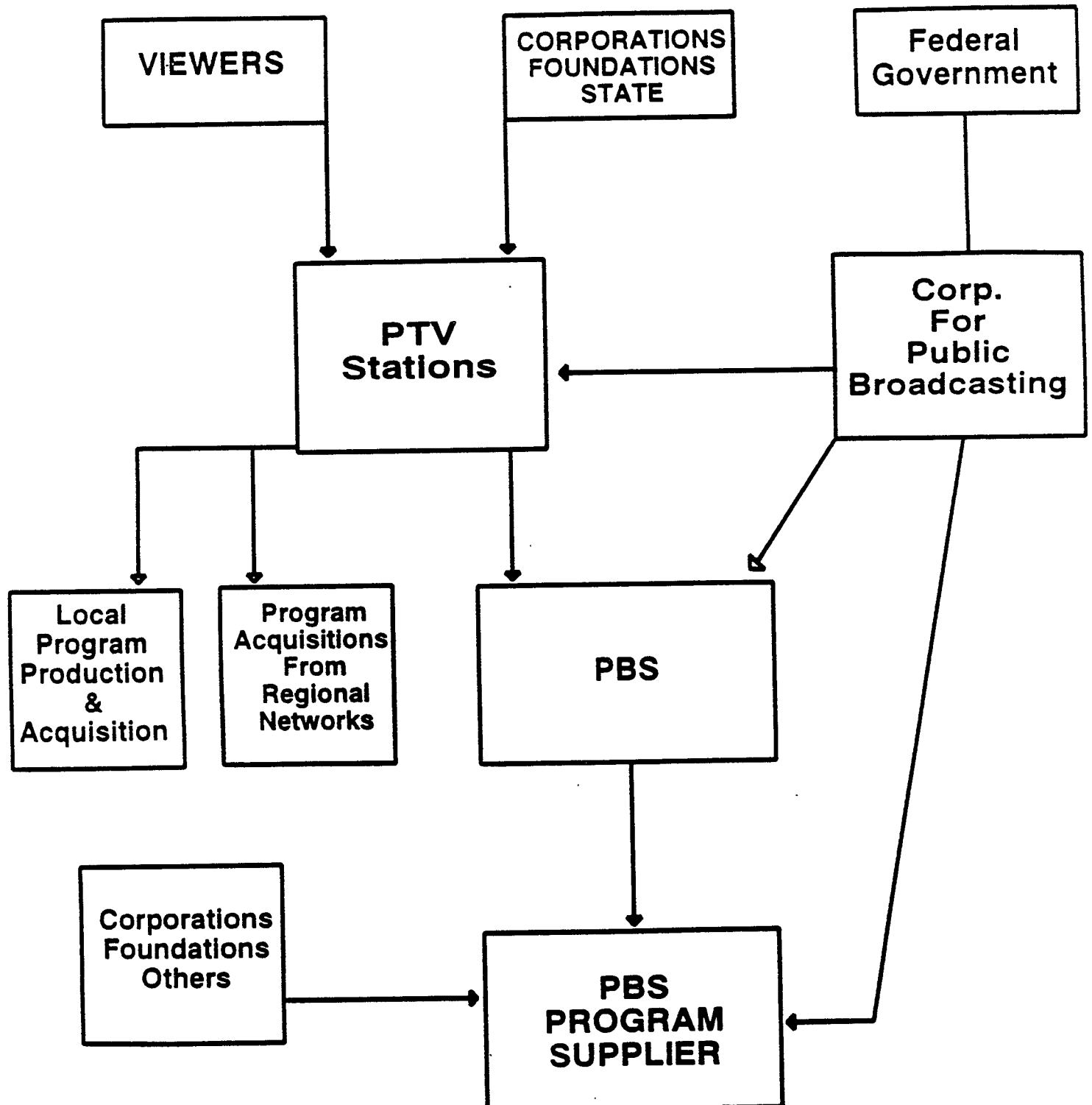
PBS Education Clearinghouse

The PBS Education Clearinghouse collects and distributes information and conducts research on the instructional uses of video and related technologies. *The Learning File*, a thrice-yearly publication of the Clearinghouse, includes data from PBS research studies, success stories from exemplary programs and projects, articles by national education leaders and local practitioners, legislative updates, and other materials collected from across the country.

Partnerships With Education

ESS serves as a national advocate for the use of learning technologies in the nation's elementary and secondary schools. Through such activities as the ESS National Advisory Committee (representing education groups and public TV stations), outreach, and promotional and awareness efforts, ESS works to build partnerships with national education associations to broaden the support within the education community for public television programming and services and to ensure that programs meet critical needs in education.

PBS PROGRAMMING
FUNDING FLOW
CHART



CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing PTV exhibits by hand delivery upon the parties designated with an asterisk, and by first-class mail upon all other parties listed below:

John H. Midlen, Jr.
John H. Midlen, Jr., Chartered
3238 Prospect Street, N.W.
Washington, D.C. 20007-3215

George R. Grange, II
Richard M. Campanelli
Gammon & Grange, P.C.
Seventh Floor
8280 Greensboro Drive
McLean, VA 22102-3807

* Clifford M. Harrington
Barry H. Gottfried
Fisher, Wayland, Cooper,
Leader & Zaragoza, LLP
Suite 400
2001 Pennsylvania Avenue, N.W.
Washington, D.C. 20006-1851

* Dennis Lane
Morrison & Hecker
Suite 800
1150 18th Street, N.W.
Washington, D.C. 20036-3815

* John I. Stewart, Jr.
Crowell & Moring
1001 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-2595

* L. Kendall Satterfield
Finkelstein, Thompson &
Loughran
2828 Pennsylvania Avenue, N.W.
Washington, D.C. 20007

Erica Redler
Canadian Broadcasting Corp.
P.O. Box 8478
Ottawa, Ontario K1G 3J5

* Robert Alan Garrett
Arnold & Porter
555 Twelfth Street, N.W.
Washington, D.C. 20004-1202

Thomas J. Ostertag
General Counsel
Office of the Commission of
Baseball
350 Park Avenue -- 17th Floor
New York, N.Y. 10022

Philip R. Hochberg
Baraff, Koerner, Olender &
Hochberg
Suite 640
Three Bethesda Metro Center
Bethesda, MD 20814-5330

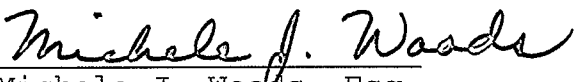
Judith Jurin Semo
Squire, Sanders & Dempsey
1201 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Paula A. Jameson
Gary P. Poon
Public Broadcasting Service
1320 Braddock Place
Alexandria, Virginia 22314

Arnold P. Lutzker
Cary A. Eure
Keith A. Barritt
Fish & Richardson, P.C.
601 13th Street, N.W.
Washington, D.C. 20005

Benjamin F. P. Ivins
National Association of
Broadcasters
1771 N Street, N.W.
Washington, D.C. 20036

Copyright Arbitration Royalty
Panel
P.O. Box 70977
Southwest Station
Washington, D.C. 20024


Michele J. Woods, Esq.

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